South Korean opposition leader under investigation

Ben McGrath 14 February 2023

The leader of South Korea's main opposition Democratic Party of Korea (DP) is under investigation on corruption-related charges as well as claims that he is connected to the transfer of a large sum of money to North Korea in 2019. These charges are not simply about corruption but point to the growing social tensions in South Korea as the government targets opposition political figures.

DP leader Lee Jae-myung was questioned by prosecutors for more than eleven hours last Friday. It was the third time he has been questioned this year in connection to corruption allegations. The allegations stem from his time as mayor of Seongnam (2010-2018), a city in Gyeonggi Province just south of Seoul, and during his tenure as Gyeonggi Province governor (2018-2021). Lee was elected to the National Assembly last June and became DP leader in August, following his failed presidential bid.

Lee is accused of receiving bribes while Seongnam mayor from six major companies including Doosan Engineering and Construction. As much as 16 billion won (\$US12.6 million) was funnelled to Lee through the city's municipal soccer team between 2016 and 2018.

Lee is also accused of involvement in a major land development scandal centering around Hwacheon Daeyu, a small asset management company. According to prosecutors, the company and other property developers were able to rake in 809 billion won (\$US635 million) in profits for apartment complexes in Seongnam's Wirye New Town and Daejang-dong districts, projects which began in 2013 and 2015 respectively.

Lee has claimed innocence regarding all the allegations, saying on Friday that the administration of right-wing President Yoon Suk-yeol was attempting to

"kill a political enemy by fully mobilizing political prosecutors." He continued, "As a pawn of the regime, the prosecution is making up a nonexistent case."

Members of the ruling People Power Party (PPP) have called for Lee's arrest, which would have to be approved by the National Assembly, as sitting lawmakers cannot be arrested while the legislature is in session. The Democrats still control 167 seats out of 300, making Lee's arrest unlikely.

However, the most serious allegations against Lee include claims that he was involved in the transfer of \$US8 million to North Korea in 2019. At the end of January, anonymous prosecution sources leaked to the media that Kim Seong-tae, the former chairman of textile company Ssangbangwool Group, had transferred the money on Lee's behalf.

Kim was arrested on January 10 in Thailand after eight months on the loose in connection to sending the funds to the North and other corruption allegations. Supposedly, \$US5 million dollars was to be spent on North Korea's smart farm project and an additional \$US3 million to help pave the way for a potential trip to the North by Lee Jae-myung.

Prosecutors are also planning today to question Lee Hwa-yeong, former vice-governor of Gyeonggi Province under Lee. He is suspected of involvement in Kim's alleged transfer of money to the North.

The allegations against Lee Jae-myung reportedly include a phone call in which he thanked Kim for transferring the funds. Kim claims the phone call took place in January 2019 while he was in China attending a dinner whose guests included Lee Hwa-yeong and a North Korean official at the Asia-Pacific Peace Committee. The organization handles inter-Korean affairs for Pyongyang. Lee Jae-myung has stated that the phone call did not occur and that he was in a court

at the time it supposedly took place.

Whether or not true, there is far more to this case than just the allegations against Lee Jae-myung. Like sex scandals in the West, corruption cases in South Korea are used to settle political scores. Backroom deals, preferential treatment and illegal payoffs have been part of doing business in South Korea for decades.

The Democratic Party has served as a safety valve for the opposition of the working class. In the past, it postured as an alternative to South Korea's threedecade-long military dictatorship. Today, it claims to be a more worker-friendly party in contrast to the rightwing PPP, which still maintains close ties to the military.

Under conditions of economic and social crisis, however, the ruling class is turning back to its old autocratic methods of rule, making clear that the framework of the police state still exists despite so-called "democratization" in the 1980s and 1990s.

South Korea's economy has been hard hit by the ongoing COVID-19 pandemic and the United Statesinstigated war against Russia in Ukraine. The economy is expected to grow only 1.6 percent this year compared to 2.6 percent growth in 2022. The government also predicts a 4.5 percent on-year drop in exports while inflation grew to 5.1 percent last year.

At the same time, Seoul, with the support of the PPP and the Democrats, is actively preparing for war with China, in alliance with US and Japanese imperialism. This includes poisoning public opinion towards the world's second largest economy while whipping up fear over the supposed North Korean "threat."

Workers, however, have not passively accepted the attacks on their economic and social conditions, striking or threatening to go on strike last year in numerous industries. The sixteen-day strike by truck drivers in November and December demonstrated the power that workers have and the fear the bourgeoisie has of the working class. The unions, however, orchestrated a sellout of the truck drivers' strike in December, which has only emboldened the Yoon administration.

When President Yoon came to office in May, he openly pledged to suppress the working class. Yoon took over for the previous administration of Democrat Moon Jae-in, who was elected in 2017 to put forward a phony progressive alternative following mass protests

against the right-wing Park Geun-hye government.

While targeting Lee, the government is making clear that any opposition to the policies of austerity and big business, demanded by the looming economic crisis and war drive, will be met with police repression.



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